



Training Proposal for:
Coventry Management Services, Inc.
Agreement Number: ET12-0237

Panel Meeting of: **December 16, 2011**

ETP Regional Office: **Sacramento**

Analyst: K. Muraki

PROJECT PROFILE

Contract

Type: Retrainee

HUA - Retrainee

Industry

Sector(s): Insurance

Counties

Served: Orange, San Diego, Yolo

Repeat

Contractor: ☐ Yes ☒ No

Union(s): ☐ Yes ☒ No

Priority

Industry: ☐ Yes ☒ No

No. of Employees in CA: 635

No. of Employees Worldwide: 13,225

| Turnover Rate % | Manager/ Supervisor % |
|-----------------|--------------------------|
| 8% | 14% |

FUNDING DETAIL

| Program Costs | Substantial Contribution | Total ETP Funding |
|------------------|-----------------------------|-------------------|
| \$199,920 | \$0 | \$199,920 |

| In-Kind Contribution |
|----------------------|
| \$355,170 |

TRAINING PLAN TABLE

| Job No. | Job Description (by Contract Type) | Type of Training | Estimated No. of Trainees | Range of Hours | | Average Cost per Trainee | Post-Retention Wage |
|---------|---------------------------------------|--|---------------------------|------------------|------|--------------------------|---------------------|
| | | | | Class / Lab | CBT | | |
| 1 | Retrainee | Business Skills Computer Skills Continuous Improvement | 392 | 24-200 | 0-20 | \$510 | \$14.09 |
| | | | | Weighted Avg: 34 | | | |

ETP Minimum Wage by County: \$14.09 for Yolo County; \$14.81 for San Diego County; \$15.37 for Orange County.

Health Benefits: ☒ Yes ☐ No This is employer share of cost for healthcare premiums – medical, dental, vision.

Used to meet the Post-Retention Wage?: ☒ Yes ☐ No

\$3.71 per hour may be used to meet the Post-Retention Wage.

| Wage Range by Occupation | |
|--------------------------|------------|
| Occupation Title | Wage Range |
| Claims/Customer Service | |
| IT Staff | |
| Operations Support Staff | |
| Sales Staff | |
| Underwriting Staff | |
| Supervisor/Manager | |

INTRODUCTION

In this proposal, Coventry Management Services, Inc. (Coventry) seeks funding for retraining as outlined below:

There will be two other participating affiliates in the ETP Agreement; Coventry Healthcare Workers Compensation and First Health Group Corp. Coventry Management Services, Inc. will be the contract holder.

Coventry, a subsidiary of Coventry Healthcare Inc., and headquartered in Bethesda, Maryland, is a national provider of HMO, PPO, and Point-of-Service plans to employer groups, as well as Medicare related insurance packages and other coverage directly to individuals. Coventry also administers worker's compensation programs, providing services such as bill review and case management to insurers and employers, although the company does not underwrite workers' compensation programs.

According to Coventry representatives, to remain competitive in the changing healthcare insurance industry, it must implement several initiatives, re-invent its processes, and develop services that will result in programs that are accessible and affordable for its customers. Training funds are needed to implement the following:

- New processes and systems for upcoming Healthcare Reform. Coventry is in the process of changing all areas of its business plan to meet the new performance measures.
- New business plan requiring a retooling of sales processes. The company will no longer use third party brokers to communicate with employers, providers or members, but will utilize its own staff. Employees will need to develop skills to communicate directly with clients and effectively market products.
- The International Statistical Classification of Diseases and Health Related Problem coding processes involve new and re-designed systems, forms, processes, policies, and communications. Employees need to implement new medical coding for new diagnosis and procedures, which will provide greater specificity in service descriptions.
- An internal billing system, Bill Review 4, developed to accurately analyze billed medical diagnosis and procedure codes for proper application coding and reimbursement. In addition, it will meet the need for automation and faster processing while increasing efficiencies, accuracy, and effectiveness. All California employees need to migrate into this system.
- A major upgrade to the client portal to improve usability and customer service.

Coventry meets the Panel's out-of-state competition standards for the health and medical insurance services and administration functions, given its out-of-state customer base and competition from companies in other states. (Title 22, California Code of Regulations (CCR), Section 4416(d).)

PROJECT DETAILS

Coventry is proposing to train 392 full-time employees in the following:

Business Skills training will be provided to all frontline employees and managers. Customized training will include topics such as bill review, claims management, data analysis, effective communication and pricing tools/techniques.

Computer Skills training will be delivered to all occupations. Coursework will include topics such as Bill Review 4 (BR4) system skills, database code and change control, provider database skills, network management skills and software converter skills.

Continuous Improvement training will be delivered to all occupations and will include, but not limited to change management, six sigma/process improvement, project management, team building, and effective time management.

Computer-Based Training (CBT) may be provided to all occupations. CBT coursework will include Business Skills, Continuous Improvement and Computer skills training, which, according to company representatives, will be used to supplement instructor led training either as pre-work to prepare the trainee for an instructor-led class, or as follow-up to instructor-led training to ensure learning has occurred in the classroom. On average, trainees are expected to receive 10-15 CBT hours.

Training for Coventry and its affiliates will be provided at the West Sacramento, Orange and San Diego facilities.

Commitment to Training

Coventry represents that ETP funds will not displace the existing financial commitment to training. Indeed, Coventry anticipates that the opportunity for enhanced training made possible by ETP funds will encourage an ongoing financial commitment in this area.

According to company representatives, Coventry makes a significant commitment to training its workforce and provides ongoing training including: anti-harassment skills, new hire orientation, ergonomics, basic computer skills, performance management skills, career path skills, personal development, and injury/illness prevention skills. The company will continue to provide this ongoing training during the term of the proposed ETP Agreement at its own expense. Coventry expects to invest approximately \$920,000 in training for 2012.

Coventry represents that safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

High Unemployment Area

Job Number 1 includes 256 trainees who work in a High Unemployment Area (HUA). This is a region with unemployment exceeding the state average by 15%, under the Panel's standards at Title 22, CCR, Section 4429(b). The determination of HUA status is based on unemployment data from the Labor Market Information Division of the Employment Development Department. At the company's locations in West Sacramento, Yolo County qualify for HUA status under these standards. However, Coventry is not asking for a wage or retention modification.

Training Coordinator

Coventry's training will be coordinated by their in-house Senior Learning Consultant in Scottsdale, AZ and overseen by their Human Resource Generalist in California.

RECOMMENDATION

For the reasons set forth above, staff recommends approval of this proposal.

DEVELOPMENT SERVICES

Coventry has retained Training Funding Partners (TFP) of Tustin to assist with development of this proposal for a flat fee of \$22,000.

ADMINISTRATIVE SERVICES

TFP will also perform administrative services in connection with this proposal for a fee of \$23,990 which will not exceed 12% of payment earned.

TRAINING VENDORS

To Be Determined

Exhibit B: Menu Curriculum**Class/Lab Hours**

24 - 200

Trainees may receive any of the following:

Business Skills

- Bill Review
- Business/Technical Writing
- Claims Management
- Contracting
- Cost Management
- Customer Service
- Data Analysis
- Decision Making
- Effective Communication
- Insurance Products
- Presentation Skills
- Pricing Tools/Techniques
- Provider Maintenance

Computer Skills

- Bill Review System Skills (BR4)
- Coventry Online Billing System
- Coventry Provider Database
- Database Code and Change Control
- Health plan Process and Procedure System
- Information Technology Computer Controls
- Information Technology Standards
- Information Technology/Server Environment
- Logical/Service Oriented Architecture
- Network Management
- Provider Contract Lifecycle Management System
- SharePoint System
- Software Converter
- SQL and Application Programming

Continuous Improvement

- Change Management
- Effective Meetings
- Leadership
- Managing a Remote Workforce
- Six Sigma/Process Improvement
- Project Management
- Team Building
- Effective Time Management

CBT Hours

0-20

CBT is capped at 50% of total training hours per-trainee.

Trainees may take any of the following:

Business Skills

- Assertiveness from Inside to Outside (2.5 hours)
- Building Improved Work Relationships Simulation (0.5 hours)
- Communication Etiquette (0.25 hours)
- Coventry Connect Bill Indexing (1 hour)
- Inquiry vs. Complaint - Commercial version (0.5 hours)
- Inquiry vs. Complaint - Medicaid version (0.5 hours)
- Inquiry vs. Complaint or Workers' Comp (1 hour)
- Intellectual Property Rights Course (1 hour)
- In-Touch Customer Service (0.75 hours)
- Introduction to Requirements Planning (2 hours)
- IT Coventry Roadmap (0.5 hours)
- MHBP Open Season Rates and Benefits Training (1 hour)
- Privacy and Security (2 of 4) (0.5 hours)
- Coventry's Florida Managed Care Arrangement (MCA) - March 2009 (1 hour)
- Coventry's Florida Managed Care Arrangement (MCA) 2010 (1 hour)
- GB MCS-Care Management (1.5 hours)
- iHealth Phase III - Outpatient Enhancement (0.25 hours)
- Medicare 101 (1.5 hours)
- Medicare Part D Commercial (0.5 hours)
- Medicare Part D Group Admin (0.5 hours)

Continuous Improvement

- Clarify Expectations (0.25 hours)
- Coventry IT Project Management Standards (3 hours)
- Coventry IT SDLC Standards (4 hours)
- Fast Knowledge - Star Ratings: A Measure of Success (0.25 hours)
- GA - Web - Time Management (1 hour)
- IT Challenges: Present and Future (2.5 hours)
- IT Change Management Policy (0.25 hours)
- Leadership Skills (0.5 hours)
- Making the Decision to Lead (1 hour)
- Root Cause Analysis (1 hour)
- Time Management (1 hour)

Computer Skills

- Advanced Training for Microsoft Office Excel 2003 (5 hours)
- Advanced Training for Microsoft Office Outlook 2003 (3.75 hours)
- Advanced Training for Microsoft Office Word 2003 (5 hours)
- Analyzing Data & Working with Macros in MS Office Excel 2007 (1 hour)

- Collaborating with Others in MS Office Excel 2007 (1 hour)
- Core Project 2002 (6 hours)
- Core Training for Microsoft® Windows® XP Professional (6.5 hours)
- Core Training for Microsoft® Windows® XP Professional Service Pack 2 (6 hours)
- Core Training for Windows® SharePoint® Services 3.0 (4 hours)
- Creating and Managing Windows® SharePoint® Services 3.0 Sites (1 hour)
- Data Classification (0.5 hours)
- Designing Forms Using Microsoft Office InfoPath 2003 (6 hours)
- Designing Secure Systems: Part 1 (1 hour)
- Designing Secure Systems: Part 2 (1 hour)
- Designing Secure Systems: Part 3 (1 hour)
- Developing a Business Execution Culture (0.25 hours)
- Directprovider.com (2 hours)
- Directprovider.com (2 hours)
- DMEplus WCMS Enhancements (0.5 hours)
- Doing More with Microsoft Windows SharePoint Services 2.0 (6 hours)
- Editing and Proofreading Documents in Microsoft® Office Word 2007 (1 hour)
- Electronic Management Tool (EMT) Inquiry Functionality (0.75 hours)
- Filtering and Summarizing Data in Microsoft® Office Excel® 2007 (1 hour)
- Fine Tuning Resource and Assignment Details in MS Project 2007 (1 hour)
- Fine Tuning Task Details in Microsoft Office Project 2007 (1 hour)
- Formatting and Printing Your Project Plan with MS Office Project 2007 (1 hour)
- Formatting Documents in Microsoft® Office Word 2007 (1 hour)
- Getting Started with Microsoft Office Visio 2007 (1 hour)
- Getting Started with Microsoft Windows SharePoint Services 2.0 (6 hours)
- Getting Started with Microsoft® Office Groove® 2007 (1 hour)
- Getting Started with Microsoft® Windows® SharePoint® Services (6 hours)
- Getting Started with MS Office InfoPath 2007 (1 hour)
- Getting Started with Windows SharePoint Services 3.0 (1 hour)
- Integrating MS Project 2007 with Other MS Office Programs (1 hour)
- Introducing Microsoft SharePoint Designer 2007 (1 hour)
- Introduction to the Project Dashboard (0.5 hours)
- IT General Computer Controls (GCC) (1 hour)
- IT Standards and Guidelines (0.5 hours)

- MHBP Entering Shopper Calls In Navigator (1 hour)
- Navigator Reports Now (1 hour)
- Organizing and Printing Project Information in MS Project 2007 (1 hour)
- Performing Calculations on Data in MS Office Excel 2007 (1 hour)
- Sharing and Remotely Access Data in MS Office Outlook 2007 (1 hour)
- Team Collaboration with Windows® SharePoint® Services 3.0 (1 hour)
- Tracking and Viewing Project Status in MS Office Project 2007 (1 hour)
- Tracking Progress on Tasks with MS Office Project 2007 (1 hour)
- Troubleshooting & Fine Tuning a Project Plan in MS Project 2007 (1 hour)
- Using Windows® SharePoint® Services 3.0 with Microsoft® 2007 Office System Apps (1 hour)
- Working with Advanced Features of Microsoft Office Word 2007 (1 hour)
- Working with Columns and Tables in Microsoft® Office Word 2007 (1 hour)
- Working with Graphical Elements in Microsoft® Office Word 2007 (1 hour)
- Working with Graphical Elements in MS Office Word 2007 (1 hour)
- Working with Longer Documents in MS Office Word 2007 (1 hour)
- Working with Pivot Tables and Charts in MS Office Excel 2007 (1 hour)
- Working with Resources with MS Office Project 2007 (1 hour)
- Working with Shapes and Connectors with Microsoft Office Visio 2007 (1 hour)

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery. CBT is capped at 50% of total training hours, per trainee.